

Weekly Compilation of
**Presidential
Documents**



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Editor's Note: The President was in Jackson Hole, WY, on August 16, the closing date of this issue. Releases and announcements issued by the Office of the Press Secretary but not received in time for inclusion in this issue will be printed next week.

WEEKLY COMPILATION OF

PRESIDENTIAL DOCUMENTS

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Week Ending Friday, August 16, 1996

The President's Radio Address

August 10, 1996

Good morning. Earlier this week Hillary and I were honored to welcome America's Olympic team to the White House. I believe the centennial Olympics were the best ever. The competition was wonderful; a record 197 teams were involved. The crowds were enormous and enthusiastic. Our athletes amassed a terrific record. There were powerful moments of courage in victory and defeat that captured the imagination of the entire world.

I think most of us wish the world would work more like the Olympics. There were all kinds of people bound together by mutual respect and acceptance of the rules of the game. All the individuals and teams had a chance, gave it their best, and win or lose, were better off for their efforts.

As heroic as the feats of the athletes in this Olympics was the way all those involved in the Atlanta games pressed on in the face of adversity. Just 2 weeks ago today a pipe bomb exploded in Centennial Olympic Park. It was a terrorist act aimed not only at the innocent people there but the very spirit of the Olympics. This was brutal evidence that no nation is immune from terrorism and an urgent reminder that we must do everything we can to fight the terrorists.

The world we live in is more open than ever. People have more opportunities than ever because people and technology and information travel quickly across national borders. But these things that make us all closer and give us more chances also make us more vulnerable to the forces of organized destruction, to the drug traffickers, the organized criminals, the people who sell weapons of mass destruction, and of course, especially to the terrorists.

What happened in the Olympic Centennial Park, that wonderful public space open to all people who visited Atlanta, is symbolic of the world's problem with terrorism. Now,

that's why terrorism must be a central national security priority for the United States. Our efforts must and will be unrelenting, coordinated, and strong.

We are pursuing a three-part strategy against terrorism:

First, we're rallying the world community to stand with us against terrorism. From the Summit of the Peacemakers in Sharm al-Sheikh, Egypt, where 13 Arab nations for the very first time condemned terror in Israel and throughout the Middle East, to the antiterror agreements we reached with our G-7 partners in Russia last month to take specific common actions to fight terrorism, we are moving forward together. Our intelligence services have been sharing more information with other nations than ever, to stop terrorists before they act, capture them if they do, and see that they're brought to justice. We've imposed stiff sanctions with our allies against states that support terrorists. When necessary, we're acting on our own. A law I signed this week will help to deny Iran and Libya the money they use to finance international terrorism.

Second, our antiterrorism strategy relies on tough enforcement and stern punishment here at home. We made terrorism a Federal offense, expanded the role of the FBI, imposed the death penalty. We've hired more law enforcement personnel, added resources, improved training. And I'm proposing a new law that will help to keep terrorists off our soil, fight money laundering, and punish violent crimes committed against Americans abroad.

Third, we're tightening security on our airplanes and at our Nation's airports. From now on, we'll hand-search more luggage and screen more bags and require preflight inspections for any plane flying to or from the United States. I've asked Vice President Gore to head an effort to deploy new high-technology inspection machines at our air-

ports and to review all our security operations.

We'll continue to press forward on all three of these fronts. But we cannot cast aside any tools in this fight for the security of our country and the safety of our people. That is exactly what the Republican majority in Congress did by stripping from the antiterrorism legislation key provisions that law enforcement needs to help them find out, track down, and shut down terrorists.

Law enforcement has asked for wiretap authority to enable them to follow terrorists as they move from phone to phone. This is the only way to track stealthy terrorists as they plot their crimes. This authority has already been granted to our law enforcement officials when they're dealing with organized criminals. Surely, it is even more urgent to give them this authority when it comes to terrorists. But Congress said no.

And law enforcement has also asked that explosives used to make a bomb be marked with a taggant, a trace chemical or a microscopic plastic chip scattered throughout the explosives. This way sophisticated machines can find bombs before they explode, and when they do explode police scientists can trace a bomb back to the people who actually sold the explosive materials that led to the bomb.

Now, tagging works. In Switzerland over the past decade it's helped to identify who made bombs and explosives in over 500 cases. When it was being tested in our country several years ago, it helped police to find a murderer in Maryland.

In the last 2 weeks since the Olympic bombing, our law enforcement officers have been working around the clock, but they have been denied a scientific tool that might help to solve investigations like this one.

Our antiterrorism bill would have given us the ability to require tagging gunpowder often used in making pipe bombs. The Republicans in Congress could give law enforcement this antiterrorism tool, but once again they're listening to the gun lobby over law enforcement. It may be good politics, but it's not good for the American people.

This is a reasonable proposal from our law enforcement community. It doesn't have anything to do with limiting people's ability

to own or use guns in a lawful manner. The same people who opposed the Brady bill and the assault weapons ban are opposing this provision. I'd just like to remind them that no hunter or sportsman has lost a weapon or the right to use a weapon in a lawful manner as a result of the Brady bill or the assault weapons ban, but we're getting rid of 19 deadly assault weapons, and 60,000 felons, fugitives, and stalkers have not gotten handguns because of the Brady bill.

We should have a good taggants provision in our antiterrorism legislation. So let's put aside interest group politics and honor the victims of terrorism, protect our people, and support our law enforcement officials by giving them the tools they plainly need.

This fight against terrorism will be long and hard; there will be setbacks along the way. But let's remember, we can win. Already we have prevented planned terrorist attacks on the Holland Tunnel in New York, on the United Nations building, on our airplanes flying out of our west coast airports. Already we have succeeded in extraditing terrorists back to America and convicting terrorists and arresting others who are suspected of terrorism. We can whip this problem.

Just as no enemy could drive us from the fight to meet our challenges and protect our values in World War II and the cold war, we cannot be driven from the fight against today's enemy, terrorism. We know that if we all work together, America will prevail.

Thanks for listening.

NOTE: The address was recorded at 3:30 p.m. on August 9 at the Chapman Ranch in Jackson Hole, WY, for broadcast at 10:06 a.m. on August 10.

Remarks on Signing the New World Mine Property Agreement at Yellowstone National Park, Wyoming August 12, 1996

Thank you. This is not the hardest speech I ever had to give. [Laughter] What a happy day. Let me thank you, Sue Glidden, for all the work you've done. Just before she came up here one of the folks sitting back here with us said, "Well, now what are you going to do?" And she said, "Now I have my life

back." I'm sure she'll find something to do with it—highly productive.

Thank you very much, Mike Clark, for all the great work you have done. Thank you, Mike Finley and Marv Jensen and all the people at Yellowstone who do such a magnificent job preserving our Nation's great treasure. I'd like to thank John Schmidt and Jim Pipkin. Ian Bayer, thank you very much for what you said and for what you've done.

I can't say enough to thank the other people in the administration; Katie McGinty who has been wonderful about this. And you mentioned the Vice President—I thank you very much. We have lunch once a week and at least every other lunch I asked him or he reported to me on whether this was ever going to get done or not. So in the middle of Bosnia and the budget and everything, we were—for one year—I know more about this some days than I wish I had known. *[Laughter]*

Thank you, Jack Ward Thomas. I'd like to thank some other people who are here, and a couple who aren't. Thank you, Senator Birch Bayh, for your role in this. I want to thank my good friends Congressman Pat Williams and Congressman Bill Richardson for working on this. Bill Richardson has been making peace all around the world the last 2 years, but he found time to do this as well.

I want to thank Senator and Mrs. Rockefeller who came up with me. Jay and Sharon Rockefeller are your neighbors. As you know, they live near the Grand Tetons and are very concerned about it. And I want to thank former Wyoming Governor Mike Sullivan and his wife, Jane Sullivan, who came up with me, and they've been longtime friends of Hillary's and mine.

And I want to thank all of you who were in that meeting with Hillary and with me a year ago. We learned a lot. It was a great occasion for us, and we've relived it several times. I also want to say a special word of recognition for the two families that are behind me. We just hauled them up here. *[Laughter]* They're laughing—are they agreeing with me? *[Laughter]* They are the Franklin family from Sioux Falls and the Pamprin family from Green Bay, Wisconsin. I asked them to come here—asked them to stand up here.

I asked them to come to make this point: This fight was not simply waged by those of you who live here for your families and your community and your future. You waged this fight for all the people of the United States and, indeed, the people of the world who love and believe in the preservation of our natural resources who come and participate. And I thought it was important that somebody be reminded somehow by their presence here that there are millions and millions and millions of people who will directly benefit from the decision we announced today. And you're seeing some of them. We thank you.

Let me say, for all kinds of reasons I'm also glad to see that John Denver is here today, and thank you very much for coming. And if you want to sing, I won't talk. *[Laughter]* We're glad to have you here.

Hillary and Chelsea and I came back here this year, drawn by the magnet of this magnificent place, reconnecting something that I think is in all of us, the yearning to have a bond with the nature that God has given us. Yellowstone, as all of you know—but as I think we should remind the country today—our first national park has our largest herd of elk and bison; more than 200 geysers; marvelous, pristine lakes and majestic mountains; places where we can teach our children about the power and the mysteries of nature.

Yellowstone was entrusted into our care as a people, a whole people, more than 120 years ago now. And today we are saying to the rest of the world, to the rest of our country, and to future generations of America, we have been worthy of that trust, and we are giving it on to our children and our children's children.

Again, I want to thank those who were part of the Yellowstone dialog. I want to thank Senator Baucus, who could not be here today, for his five-point plan for maximum protection of the park before the proposed mine could go forward. I want to thank the members of my Cabinet who are not here, including especially Secretary Babbitt and Secretary Glickman and EPA Administrator Browner and Attorney General Reno, because they all supported this, as well. And I wish they could be here with us to celebrate this day.

The agreement that has been reached with Crown Butte to terminate this project altogether proves that everyone can agree that Yellowstone is more precious than gold. As has been said before, this is a victory for everyone involved; the American people and our future win because Yellowstone will be protected from the environmental hazards of mining. Crown Butte's shareholders win because their property rights will be protected. We are all protected from years and years of expensive and bitter litigation. And while there is still work to do and work in which members of the general public must and will be involved, we are going to move forward. And this signing today means that it will come out the way so many of you have worked for, for so many years.

Mining jobs are good jobs, and mining is important to our national economy and to our national security. But we can't have mines everywhere, and mines that could threaten any national treasures like Yellowstone—that's too much to ask of the American people. The company has recognized this, and we thank them. Again, I want to emphasize they are not only walking away from a gold mine, they have also agreed to finance the cleanup of historic mining pollution that predates their work at the site. That is a very important part of this agreement, and the company deserves a lot of credit for it, and we ought to appreciate what they're doing.

Again, I want to thank Ian Bayer and Joe Baylis of Crown Butte for their extraordinary commitment. Let me thank the Members of Congress again, those who are here and Senator Baucus, who isn't, and also my senior Senator and a great friend of Yellowstone and the Nation's environment, Senator Dale Bumpers, who very much wanted to be with us today.

I also want to say in closing that the way this was done should become a model for America's challenges, not only in the environment but in other areas as well. When we deal with problems of national significance that have to be resolved by people who understand the particulars and who will be most affected by it, it will be well to remember how this was done. Yes, I did say that I wanted to preserve this park. And yes, I did put

the Vice President and Katie McGinty and the Cabinet on it. But the reason it worked, especially given the way the mining law works, as all of you know, is that we had a collaborative process that involved people reflecting all the interests involved who worked in good faith. That is the way we have to meet America's challenges as we move into this new century.

We don't have to make a choice between the environment and the economy. We don't have to have every single challenge we face drag on forever and ever and ever, into court suit after court suit after court suit, being fodder for politicians that campaign from rhetoric that divides us instead of unites us. All of you have proved that America can be better than that. This is a very, very great day for our country not only because what we have done is right but because of the way we have done it. That is right as well.

When Yellowstone was created as the world's first national park over 120 years ago, it was as a result of a bipartisan agreement and a consensus which existed at that time that this place was too precious not to be preserved. God created the mountains of Yellowstone and the minerals beneath them, but it is up to us to preserve them. You have done that today. And you have done it in the right way.

So I ask you today as you leave here to make sure that we all teach our children and grandchildren the lessons we have learned today, to make sure that future generations of our country never forget that we have something here we can never replace but also never forget that when we meet each other across the lines that divide us in good faith, with honest, open hearts and a real desire to move forward together, we can do it.

We celebrate that today. And as your President, I am very grateful for every single one of you who played a role in this historic moment for America.

Thank you, and God bless you all.

Now, I can't forget the actual purpose for which we came. *[Laughter]* Katie, Mike, and Ian are going to sign the agreement.

[At this point, the agreement was signed.]

We're adjourned.

NOTE: The President spoke at 11:25 a.m. at Barronette Peak Overlook. In his remarks, he referred to Sue Glidden, owner, Cooke City General Store, Cooke City, MT; Mike Clark, executive director, Greater Yellowstone Coalition; Michael V. Finley, superintendent, and Marvin Jensen, deputy superintendent, Yellowstone National Park; John Schmidt, Associate Attorney General, Department of Justice; James Pipkin, Counselor to the Secretary of the Interior; Ian Bayer, president, Battle Mountain Canada Ltd.; Joe Baylis, president, Crown Butte Mines, Inc.; Jack Ward Thomas, chief, U.S. Forest Service; and singer John Denver.

Remarks on Signing the Federal Oil and Gas Royalty Simplification and Fairness Act of 1996 in Jackson Hole, Wyoming

August 13, 1996

Good morning, ladies and gentlemen. Let me, first of all, thank the Teton Science School, its board members, and its staff who hosted us today. I want to acknowledge the school's 15 professional residents who are graduating today and heading off to teach in environmental centers around the country. We thank you for what you're doing.

I want to acknowledge Superintendent Jack Neckels and the staff of the Grand Teton National Park, and Bridger-Teton National Forest Supervisor Sandra Key. And I want to thank all of you.

My family and I are having a wonderful time again in Wyoming this year. And yesterday we had a fabulous day for America when we announced the agreement not to build the gold mine near the northeast corner of Yellowstone and that the mining company would agree to clean up pollution at the site, spend over \$20 million to do it, including pollution that they did not cause, in return for which the United States will recognize their property rights and their investment and make a land swap.

So I think it was an agreement in which everyone won. And again, I would say what I said yesterday: I hope that we can see the kind of coming together in positive resolution of these matters that we saw yesterday in many, many other areas. We have to find a way to preserve our environment and to grow

our economy, and we don't have to make many of the choices that seem to be frozen in the public debate today. So I was very encouraged by yesterday.

I also want to say that this is a very good day—[applause]—thank you. [Laughter] I planted those people out there. [Laughter]

I want to thank the members of the energy industry who have come from all over America to be with me today as I sign the Oil and Gas Royalty Simplification and Fairness Act into law.

This is the latest in a series of bipartisan efforts which passed the Congress in some cases unanimously, in other cases almost unanimously at the very end of the session before the August recess began. They represented a dramatic departure from what happened in 1995 and the first half of 1996. We have welfare reform, health care reform, a higher minimum wage, better retirement provisions and other incentives for people who are running small businesses in America, safer food and drinking water as a result of these initiatives.

And I hope that this is an omen of things to come, because this is the way America moves forward. When we tone our rhetoric down and work together and roll up our sleeves and try to meet our legitimate interests and protect our values, come to grips with these challenges, we can do it. And I am very, very pleased by what happened in the last few days of Congress. And as I said, I think the American people are, and I hope we can see more of it.

Let me tell you a little about this act, which passed with unanimous bipartisan support in both Houses of Congress. By simplifying the way that royalties are collected and clarifying existing laws, this law will speed the collection of millions of dollars in Federal and State revenues which the Government is due, create many new jobs for America's workers, and most important of all, will help to reduce our own Nation's reliance on foreign oil and gas.

Our economy, our environment, our national security depend upon a healthy domestic oil and gas industry. Many Americans don't know it, but a significant percentage of the oil and natural gas produced in the United States comes from Federal lands.

Taxpayers earn about \$4 billion a year from these sales. Tens of thousands of Americans work in energy production jobs on Federal lands. Until today, regulatory redtape and conflicting court rulings had discouraged many companies from taking full advantage of these resources.

I have been trying to change this since I took office. Our administration has worked with the Congress, with Governors, State legislators, and others to stimulate domestic energy production while protecting our environment. Recently, I lifted the 23-year ban against Alaskan oil exports and actively supported efforts to increase production in the Gulf of Mexico.

About a year ago this month I made a commitment to many of the people who are here with me today to win the passage of the bill I'm about to sign. Today we're helping to protect our energy future as we go forward into the 21st century stronger than ever.

Yesterday we showed that we can do these things in a way that protects our natural environment for future generations. Again I will say, when we work together there is nothing that can stop America. We are celebrating that working together now, and I hope we will have more of it. We have plenty of challenges ahead, but the best times for this country will be the 21st century if we do what we should do and if we do it together.

Thank you very much.

NOTE: The President spoke at 11:35 a.m. at the Teton Science School. H.R. 1975, approved August 13, was assigned Public Law No. 104-185. A tape was not available for verification of the content of these remarks.

Statement on Signing the Federal Oil and Gas Royalty Simplification and Fairness Act of 1996

August 13, 1996

I have today signed into law H.R. 1975, the "Federal Oil and Gas Royalty Simplification and Fairness Act of 1996." This legislation will provide new tools to further improve and streamline the Federal royalty program.

My Administration has worked cooperatively with the Congress, governors, and industry to develop legislation that would

achieve certainty, equity, and simplicity in the royalty management program. These are the same goals we are striving for in our efforts to reinvent Government.

This legislation establishes certainty with a 7-year statute of limitations for all royalty collections. It establishes equity by requiring payment of interest to companies on overpayments to the Government and by allowing the refund of overpayments to all Federal leaseholders. Finally, it encourages simplicity in the royalty management program.

My Administration fully supports finding new ways for the States to work cooperatively and creatively with the Federal Government to provide superior service to the citizens of the United States. I believe we can help achieve that goal with this legislation, which expands the list of royalty-program activities that may be delegated to States, and provides certainty with respect to expeditious Federal action when States seek additional authority to help administer the program.

In signing H.R. 1975, I do so with the understanding that the congressional leadership has pledged to pass subsequent legislation making necessary technical corrections.

I am grateful for the bipartisan effort of the Congress in working with my Administration to develop this legislation. I believe this is an example of what we can do working together for the benefit of the American public, the States, and the energy industry.

William J. Clinton

The White House,
August 13, 1996.

NOTE: H.R. 1975, approved August 13, was assigned Public Law No. 104-185.

Exchange With Reporters in Jackson Hole

August 14, 1996

"Between Hope and History: Meeting America's Challenges for the 21st Century"

[The President's remarks are joined in progress.]

The President. —basically my philosophy about where I think America is and where I think we ought to go.

Q. Would you describe it as a manifesto for the next administration if you get re-elected?

The President. Well, it's not an exclusive list of all the things I intend to do, but it makes the argument about why I think the direction we're going is right, why we're better off than we were, and what I hope we'll do. And it's just something I've been wanting to say. I finished it the first 2 days we got here, and I hope the people who read it will find it helpful. I was glad to do it.

It's beautiful, isn't it?

Q. Have you been getting enough relaxation? Are you feeling rested, sir?

The President. More rested now. The first 2 days I worked real hard trying to finish the book, and, you know, a lot of things happened the last 2 months which kind of got me behind deadlines. So I worked pretty hard on that. But yesterday I got to play a little golf, and of course, we had that wonderful hike the day before.

Q. When did you decide to write the book, sir?

The President. About a year ago.

Q. Guys, move to the right, move a step to the right.

The President. Yes, I don't want anybody to get hurt here.

Q. Is Senator Dole in the book, sir?

The President. It's basically a book about the country.

Republican Convention

Q. Do you care to comment at all about the choice of Jack Kemp for the Republican Vice Presidential nomination?

The President. No, I'm going to leave them alone, let them have their convention. I like Al Gore; that's my comment. [Laughter] The best Vice President in history.

Democratic Convention

Q. What can you say about the train ride you're going to take to the convention, sir?

The President. I'm excited about it. We're trying to—I think they probably finalized all the routes now, and I love trains, so I'm excited about it. I didn't know—the main thing

I was concerned about is if we did it I just didn't want to inconvenience people because of the security and everything. And I think we've got it—I've got a route now where, apparently, there will be a minimum of dislocation.

President's Vacation

Q. You love trains, but do you love horses?

The President. I love horses.

Q. What's the horse's name?

The President. Wink. This is Wink, and that's Patches.

Q. You look like you've lost some weight. Have you dropped a few pounds?

The President. A little bit I think. I'm almost—I dropped 15 or 20 pounds I guess since—in the last year or so. Got to be in shape, you know. This is a rigorous endeavor.

Q. I found that out the other day. [Laughter]

The President. Well, that was tough. I was very sore yesterday. I don't know if you were, but I was pretty sore.

Q. I still am, sir.

The President. I found out when I was on that golf course that my rhythm wasn't quite there anymore. [Laughter] Whew, it was bad after a while. [Laughter]

Q. Have fun.

The President. Thank you. I'm glad to see—how are you feeling?

Q. I'm good, Mr. President. Little sore. Hope you're having a good time.

The President. Well, I really didn't—when I took you all off on that wild goose chase I didn't know it was going to be quite as demanding as it was. But I'm glad we did it.

Q. Well, I'm just not in shape. It's my fault.

The President. Well, now, it takes a few days to get adjusted to the atmosphere, you know, once you're—the higher altitude.

Q. Well, we carry a little bit of stuff.

The President. Yes, and I see—we weren't carrying all that. I don't know how you all did that. Somebody made it all through with a huge camera.

Q. Hank Brown, ABC.

The President. We ought to give him some kind of medal. He's in great shape. [Laughter]

Marlene, how are you doing?

Ms. Marlene MacDonald. I'm good. How are you? You look great.

The President. I'm doing great.

Q. That's a great hat.

The President. Yes, I've had this old hat a long time. And my old boots.

Q. Is it a Stetson?

The President. I got these boots about, oh, 8 years ago—7, 8 years ago, in Salem, Arkansas, Fulton County. I went out to help them—it was a little town of 1,000 people, and they got one of our economic development airport grants. And they gave me these boots.

Q. What are they made of, sir?

The President. Snakeskin.

Q. Are you relaxed?

The President. Yes, I love it here. I love it here. I love it. I'm glad we got out for a ride.

Q. I'm glad we got a picture. [Laughter]

The President. Well, yes. I was sort of derelict today, I decided I'd sleep in and kind of laze around. So we've just been fooling around at home.

Good to see you.

NOTE: The President spoke at approximately 5 p.m. at the Bar B Bar Ranch. In his remarks, he spoke to Marlene A. MacDonald, Office Manager, Lower Press Office, the White House. The press release issued by the Office of the Press Secretary did not include the complete opening remarks of the President. A tape was not available for verification of the content of this exchange.

Letter to Congressional Leaders on Iraq

August 14, 1996

Dear Mr. Speaker: (Dear Mr. President:)

I hereby report to the Congress on the developments since my last report of February 9, 1996, concerning the national emergency with respect to Iraq that was declared in Executive Order No. 12722 of August 2, 1990. This report is submitted pursuant to section 401(c) of the National Emergencies Act, 50 U.S.C. 1641(c), and section 204(c) of the International Emergency Economic Powers Act, 50 U.S.C. 1703(c).

Executive Order No. 12722 ordered the immediate blocking of all property and inter-

ests in property of the Government of Iraq (including the Central Bank of Iraq) then or thereafter located in the United States or within the possession or control of a U.S. person. That order also prohibited the importation into the United States of goods and services of Iraqi origin, as well as the exportation of goods, services, and technology from the United States to Iraq. The order prohibited travel-related transactions to or from Iraq and the performance of any contract in support of any industrial, commercial, or governmental project in Iraq. U.S. persons are also prohibited from granting or extending credit or loans to the Government of Iraq.

The foregoing prohibitions (as well as the blocking of Government of Iraq property) were continued and augmented on August 9, 1990, by Executive Order No. 12724, which was issued in order to align the sanctions imposed by the United States with United Nations Security Council Resolution 661 of August 6, 1990.

Executive Order No. 12817 was issued on October 21, 1992, to implement in the United States measures adopted in United Nations Security Council Resolution ("UNSCR") 778 of October 2, 1992. UNSCR 778 requires U.N. Member States to transfer to a U.N. escrow account any funds (up to \$200 million apiece) representing Iraqi oil sale proceeds paid by purchasers after the imposition of U.N. sanctions on Iraq, to finance Iraq's obligations for U.N. activities with respect to Iraq, such as expenses to verify Iraqi weapons destruction, and to provide humanitarian assistance in Iraq on a non-partisan basis. A portion of the escrowed funds also funds the activities of the U.N. Compensation Commission in Geneva, which handles claims from victims of the Iraqi invasion and occupation of Kuwait. Member States also may make voluntary contributions to the account. The funds placed in the escrow account are to be returned, with interest, to the Member States that transferred them to the United Nations, as funds are received from future sales of Iraqi oil authorized by the U.N. Security Council. No Member State is required to fund more than half of the total transfers or contributions to the escrow account.

This report discusses only matters concerning the national emergency with respect to Iraq that was declared in Executive Order No. 12722 and matters relating to Executive Orders No. 12724 and 12817 (the "Executive Orders"). The report covers events from February 2, 1996, through August 1, 1996.

1. In April 1995, the U.N. Security Council adopted UNSCR 986 authorizing Iraq to export up to \$1 billion in petroleum and petroleum products per quarter for 6 months under U.N. supervision in order to finance the purchase of food, medicine, and other humanitarian supplies. This arrangement may be renewed by the Security Council for additional 6-month periods. UNSCR 986 includes arrangements to ensure equitable distribution of humanitarian goods purchased with UNSCR 986 oil revenues to all the people of Iraq. The resolution also provides for the payment of compensation to victims of Iraqi aggression and for the funding of other U.N. activities with respect to Iraq. On May 20, 1996, a memorandum of understanding was concluded between the Secretariat of the United Nations and the Government of Iraq agreeing on terms for implementing UNSCR 986. Further implementation procedures are being considered by the Iraq Sanctions Committee which is composed of members of the Security Council.

2. During the reporting period, there was one amendment to the Iraqi Sanctions Regulations (the "ISR"). On July 10, 1996, the Department of the Treasury's Office of Foreign Assets Control ("OFAC") amended the ISR to provide a general license authorizing U.S. persons to enter into executory contracts with the Government of Iraq for the purchase of Iraqi-origin petroleum and petroleum products, the sale of essential parts and equipment for the Kirkuk-Yumurtalik pipeline system, and the sale of humanitarian goods and services, with performance conditioned upon approval by the Office of Foreign Assets Control within the framework of United Nations Security Council Resolution 986 (1995). (61 Fed. Reg. 36627, July 12, 1996.) A copy of the amended Regulations is attached.

All executory contracts must contain terms requiring that all proceeds of oil purchases from the Government of Iraq, including the

State Oil marketing organization, must be placed in the U.N. escrow account at Banque Nationale de Paris, New York (the "986 Escrow Account"), and all Iraqi payments for authorized sales of pipeline parts and equipment, humanitarian goods, and incidental transaction costs borne by Iraq will, upon approval by the UNSC committee established pursuant to UNSCR 661 ("the 661 Committee"), be paid or payable out of the 986 Escrow Account.

3. Investigations of possible violations of the Iraqi sanctions continue to be pursued and appropriate enforcement actions taken. Several cases from prior reporting periods are continuing and recent additional allegations have been referred by OFAC to the U.S. Customs Service for investigation. Several OFAC civil penalty proceedings are pending.

Investigation also continues into the roles played by various individuals and firms outside Iraq in the Iraqi government procurement network. These investigations may lead to additions to OFAC's listing of individuals and organizations determined to be Specially Designated Nationals ("SDNs") of the Government of Iraq.

4. Pursuant to Executive Order No. 12817 implementing UNSCR 778, on October 28, 1992, OFAC directed the Federal Reserve Bank of New York to establish a blocked account for receipt of certain post-August 6, 1990, Iraqi oil sales proceeds, and to hold, invest, and transfer these funds as required by the Order. Cumulative transfers from the blocked Federal Reserve Bank of New York account since issuance of Executive Order No. 12817 amounted to \$200 million as of December 21, 1995, fully satisfying the United States' commitment to match the payments of other Member States from blocked Iraqi oil payments, and its obligation pursuant to UNSCR 778.

5. The Office of Foreign Assets Control has issued a total of 630 specific licenses regarding transactions pertaining to Iraq or Iraqi assets since August 1990. Licenses have been issued for transactions such as the filing of legal actions against Iraqi governmental entities, legal representation of Iraq, and the exportation to Iraq of donated medicine, medical supplies, and food intended for hu-

manitarian relief purposes, the execution of powers of attorney relating to the administration of personal assets and decedents' estates in Iraq and the protection of preexistent intellectual property rights in Iraq. Since my last report, 12 specific licenses have been issued.

6. The expenses incurred by the Federal Government in the 6-month period from February 2, 1996, through August 1, 1996, that are directly attributable to the exercise of powers and authorities conferred by the declaration of a national emergency with respect to Iraq are reported to be about \$1 million, most of which represents wage and salary costs for Federal personnel. Personnel costs were largely centered in the Department of the Treasury (particularly in the office of Foreign Assets Control, the U.S. Customs Service, the Office of the Under Secretary for Enforcement, and the Office of the General Counsel), the Department of State (particularly the Bureau of Economic and Business Affairs, the Bureau of Near Eastern Affairs, the Bureau of International Organization Affairs, the Bureau of Political-Military Affairs, the U.S. Mission to the United Nations, and the Office of the Legal Advisor), and the Department of Transportation (particularly the U.S. Coast Guard).

7. The United States imposed economic sanctions on Iraq in response to Iraq's illegal invasion and occupation of Kuwait, a clear act of brutal aggression. The United States, together with the international community, is maintaining economic sanctions against Iraq because the Iraqi regime has failed to comply fully with United Nations Security Council resolutions. Security Council resolutions on Iraq call for the elimination of Iraqi weapons of mass destruction, Iraqi recognition of Kuwait and the inviolability of the Iraq-Kuwait boundary, the release of Kuwaiti and other third-country Nationals, compensation for victims of Iraqi aggression, long-term monitoring of weapons of mass destruction capabilities, the return of Kuwaiti assets stolen during Iraq's illegal occupation of Kuwait, renunciation of terrorism, an end to internal Iraqi repression of its own civilian population, and the facilitation of access of international relief organizations to all those in need in all parts of Iraq. Six years after

the invasion, a pattern of defiance persists: a refusal to account for missing Kuwaiti detainees; failure to return Kuwaiti property worth millions of dollars, including military equipment that was used by Iraq in its movement of troops to the Kuwaiti border in October 1994; sponsorship of assassinations in Lebanon and in northern Iraq; incomplete declarations to weapons inspectors and refusal of unimpeded access; and ongoing widespread human rights violations. As a result, the U.N. sanctions remain in place; the United States will continue to enforce those sanctions under domestic authority.

The Baghdad government continues to violate basic human rights of its own citizens through systematic repression of minorities and denial of humanitarian assistance. The Government of Iraq has repeatedly said it will not be bound by UNSC Resolution 688. For nearly 5 years, Baghdad has maintained a blockade of food, medicine, and other humanitarian supplies against northern Iraq. The Iraqi military routinely harasses residents of the north, and has attempted to "Arabize" the Kurdish, Turcomen, and Assyrian areas in the north. Iraq has not relented in its artillery attacks against civilian population centers in the south, or in its burning and draining operations in the southern marshes, which have forced thousands to flee to neighboring States.

The policies and actions of the Saddam Hussein regime continue to pose an unusual and extraordinary threat to the national security and foreign policy of the United States, as well as to regional peace and security. The U.N. resolutions affirm that the Security Council must be assured of Iraq's peaceful intentions in judging its compliance with sanctions. Because of Iraq's failure to comply fully with these resolutions, the United States will continue to apply economic sanctions to deter it from threatening peace and stability in the region.

Sincerely,

William J. Clinton

NOTE: Identical letters were sent to Newt Gingrich, Speaker of the House of Representatives, and Albert Gore, Jr., President of the Senate.

**Letter to Congressional Leaders on
Continuation of Emergency
Regarding Export Control
Regulations**

August 14, 1996

Dear Mr. Speaker: (Dear Mr. President:)

On August 19, 1994, in light of the expiration of the Export Administration Act of 1979, as amended (50 U.S.C. App. 2401 *et seq.*), I issued Executive Order No. 12924 declaring a national emergency and continuing the system of export regulation under the International Emergency Economic Powers Act (50 U.S.C. 1701 *et seq.*). Under section 202(d) of the National Emergencies Act (50 U.S.C. 1622(d)), the national emergency terminates on the anniversary date of its declaration unless the President publishes in the *Federal Register* and transmits to the Congress a notice of its continuation.

I am hereby advising the Congress that I have extended the national emergency declared in Executive Order No. 12924. Attached is a copy of the notice of extension.

Sincerely,

William J. Clinton

NOTE: Identical letters were sent to Newt Gingrich, Speaker of the House of Representatives, and Albert Gore, Jr., President of the Senate.

**Notice—Continuation of Emergency
Regarding Export Control
Regulations**

August 14, 1996

On August 19, 1994, consistent with the authority provided me under the International Emergency Economic Powers Act (50 U.S.C. 1701 *et seq.*), I issued Executive Order No. 12924. In that order, I declared a national emergency with respect to the unusual and extraordinary threat to the national security, foreign policy, and economy of the United States in light of the expiration of the Export Administration Act of 1979, as amended (50 U.S.C. App. 2401 *et seq.*). Because the Export Administration Act has not been renewed by the Congress, the national emergency declared on August 19, 1994, must continue in effect beyond August 19,

1996. Therefore, in accordance with section 202(d) of the National Emergencies Act (50 U.S.C. 1622(d)), I am continuing the national emergency declared in Executive Order No. 12924.

This notice shall be published in the *Federal Register* and transmitted to the Congress.

William J. Clinton

The White House,
August 14, 1996.

[Filed with the Office of the Federal Register, 10:51 a.m., August 14, 1996]

NOTE: This notice was published in the *Federal Register* on August 15.

**Executive Order 13014—
Maintaining Unofficial Relations
With the People on Taiwan**

August 15, 1996

In light of the recognition of the People's Republic of China by the United States of America as the sole legal government of China, and by the authority vested in me as President of the United States of America by the Taiwan Relations Act (Public Law 96–8, 22 U.S.C. 3301 *et seq.*) (“Act”), and section 301 of title 3, United States Code, in order to facilitate the maintenance of commercial, cultural, and other relations between the people of the United States and the people on Taiwan with official representation or diplomatic relations, it is hereby ordered as follows:

Section 1. Delegation and Reservation of Functions.

1–101. Exclusive of the functions otherwise delegated, or reserved to the President by this order, there are delegated to the Secretary of State (“Secretary”) all functions conferred upon the President by the Act, in concluding the authority under section 7(a) of the Act to specify which laws of the United States relative to the provision of consular services may be administered by employees of the American Institute on Taiwan (“Institute”). In carrying out these functions, the Secretary may redelegate his authority, and shall consult with other departments and agencies as he deems appropriate.

1-102. There are delegated to the Director of the Office of Personnel Management the functions conferred upon the President by paragraphs (1) and (2) of section 11(a) of the Act. These functions shall be exercised in consultation with the Secretary.

1-103. There are reserved to the President the functions conferred upon the President by section 3, the second sentence of section 9(b), and the determinations specified in section 10(a) of the Act.

Sec. 2. Specification of Laws and Determinations.

2-201. Pursuant to section 9(b) of the Act, and in furtherance of the purposes of the Act, the procurement of services may be effected by the Institute without regard to the following provisions of law and limitations of authority as they may be amended from time to time:

- (a) Sections 1301(d) and 1341 of title 31, United States Code, and section 3732 of the Revised Statutes (41 U.S.C. 11) to the extent necessary to permit the indemnification of contractors against unusually hazardous risks, as defined in Institute contracts, consistent, to the extent practicable, with section 52.228-7 of the Federal Acquisition Regulations;
- (b) Section 3324 of title 31, United States Code;
- (c) Sections 3709, 3710, and 3735 of the Revised Statutes, as amended (41 U.S.C. 5, 8, and 13);
- (d) Section 2 of title III of the Act of March 3, 1933 (41 U.S.C. 10a);
- (e) Title III of the Federal Property and Administrative Services Act of 1949, as amended (41 U.S.C. 251-260);
- (f) The Contract Disputes Act of 1978; as amended (41 U.S.C. 601-613);
- (g) Chapter 137 of title 10, United States Code (10 U.S.C. 2301-2316);
- (h) The Act of May 11, 1954 (the "Anti-Wunderlich Act") (41 U.S.C. 321, 322); and
- (i) Section (f) of 41 U.S.C. 423.

2-202. (a) With respect to cost-type contracts with the Institute under which no fee is charged or paid, amendments and modifications of such contracts may be made with or without consideration and may be utilized

to accomplish the same things as any original contract could have accomplished, irrespective of the time or circumstances of the making, or the form of the contract amended or modified, or of the amending or modifying contract and irrespective of rights that may have accrued under the contractor the amendments or modifications thereof.

(b) With respect to contracts heretofore or hereafter made under the Act, other than those described in subsection (a) of this section, amendments and modifications of such contracts may be made with or without consideration and may be utilized to accomplish the same things as any original contract could have accomplished, irrespective of the time or circumstances of the making, or the form of the contract amended or modified, or of the amending or modifying contract, and irrespective of rights that may have accrued under the contract or the amendments or modifications thereof, if the Secretary determines in each case that such action is necessary to protect the foreign policy interests of the United States.

2-203. Pursuant to section 10(a) of the Act, the Taipei Economic and Cultural Representative Office in the United States ("TECRO"), formerly the Coordination Council for North America Affairs ("CCNAA"), is determined to be the instrumentality established by the people on Taiwan having the necessary authority under the laws applied by the people on Taiwan to provide assurances and take other actions on behalf of Taiwan in accordance with the Act. Nothing contained in this determination or order shall affect, or be construed to affect, the continued validity of agreements, contracts or other undertakings, of whatever kind or nature, entered into previously by CCNAA.

Sec. 3. President's Memorandum of December 30, 1978.

3-301 Agreements and arrangements referred to in paragraph (B) of President Carter's memorandum of December 30, 1978, entitled "Relations With the People on Taiwan" (44 FR 1075) shall, unless otherwise terminated or modified in accordance with law, continue in force and be performed in accordance with the Act and this order.

Sec. 4. General. This order supersedes Executive Order No. 12143 of June 22, 1979.

William J. Clinton

The White House,

August 15, 1996.

[Filed with the Office of the Federal Register, 11:24 a.m., August 16, 1996]

NOTE: This Executive order was published in the *Federal Register* on August 19.

Exchange With Reporters in Jackson Hole

August 16, 1996

Republican Convention

Q. Mr. President, what did you think of Dole's speech last night?

The President. I didn't watch it. I haven't watched any of it.

Q. How come?

The President. Because I've been on vacation. I want to let them have their convention. I'm looking forward to ours.

President's Vacation

Q. Are you enjoying your stay here?

The President. Oh, I'm having a wonderful time, thank you.

Chelsea's Rock Climbing

Q. I was the ranger with Chelsea yesterday. She's a good climber.

The President. Were you there with her?

Q. Yes.

The President. She loved it. You know, she loves that so much.

Q. She looked pretty good.

The President. She loves to do it. And I think she'd really like to take some more training. She spent 30 days out here in the West last summer, and she did some climbing. She was in the mountains; she was in valleys and rivers; she did a lot of work. I think she'd like to get pretty serious about this climbing business. She's strong, and she's flexible.

Q. Her mother might not be that interested.

The President. She's strong, and she's flexible and—what?

Q. Her mother might not be that interested.

The President. Yes, but she's a pretty prudent person. She's pretty safe. But I think if you're strong and flexible and have good balance—all that ballet training prepared her.

Q. Yes.

The President. Well, thanks for saying that.

Republican Convention

Q. Mr. President, since you didn't see the speech would you like us to tell you about it? [Laughter]

The President. I have an idea that you would edit in a way designed to elicit a response. And I wouldn't want to see it in the paper the next day. [Laughter]

Q. There's a risk of that.

The President. Come on, we can afford to have 2 more days of enjoyment, then we can go back and deal with all that. [Laughter]

NOTE: The exchange began at approximately 10:30 a.m. at the Jackson Hole Golf and Tennis Club. A tape was not available for verification of the content of this exchange.

Statement on Efforts To Bring Democracy to Cuba

August 16, 1996

To further our continuing effort to help bring democracy to Cuba, I have asked Under Secretary of Commerce for International Trade, Stuart E. Eizenstat, to serve as Special Representative of the President and Secretary of State for the Promotion of Democracy in Cuba. His mission will be to engage our allies over the next 6 months on concrete measures to advance democracy in Cuba as we implement Title III of the Cuban Liberty and Democratic Solidarity Act (LIBERTAD) in the manner I described last month. I have also asked U.S. Ambassador to the U.N., Madeleine Albright and former U.S. Representative Dante Fascell, distinguished former chairman of the House Foreign Affairs Committee, to serve as our advisers on how best to pursue this important objective.

On July 16, I decided to allow Title III of the Cuban Liberty and Democratic Solidarity Act (LIBERTAD) to enter into force, putting companies doing business in Cuba on notice that by trafficking in expropriated properties they face the prospect of lawsuits in the United States. I also suspended the right to file suit for 6 months to allow us time to forge a common approach with our allies and trading partners to accelerate democratic transition in Cuba. U.S. allies and friends have long shared this goal, but we have not always agreed on how to achieve it. The time has come for us to take more concrete steps together.

At that time, I also announced that I would appoint a special representative to build international support for increasing pressure on Cuba to open up politically and economically; encouraging forces for change on the island; better targeting foreign assistance in ways that advance democratic goals; and promoting business practices that will help bring democracy to the Cuban workplace. In coming weeks and months, Stu Eizenstat will consult with Cuban-American civic leaders and Members of Congress here in the U.S. before traveling to Europe, Canada, and Latin America to enlist the cooperation of allied governments, non-governmental groups, and companies.

As stipulated by law, at the end of this 6-month period I will review the progress we have made with our allies before deciding whether to continue the suspension of the right to sue under Title III.

I am confident that the democratic values and far-reaching interests that we share with our allies and partners will allow us to overcome disagreements over some aspects of the LIBERTAD Act and refocus our attention where it belongs, on promoting democracy in the hemisphere's only nondemocratic nation.

Cuba's recent actions underscore the need for the United States and the international community to press hard for change on the island. In February, Cuban MIG's shot down without warning two unarmed U.S. civilian aircraft in international airspace, killing four innocent men. The Cuban Government has systematically repressed prodemocracy activists and independent journalists.

Stu Eizenstat has a unique combination of domestic and foreign policy experience as former President Carter's chief domestic policy adviser and as U.S. Ambassador to the European Union. Ambassador Eizenstat will continue to serve as Under Secretary of Commerce and as the State Department's special envoy for property restitution in Central and Eastern Europe.

Digest of Other White House Announcements

The following list includes the President's public schedule and other items of general interest announced by the Office of the Press Secretary and not included elsewhere in this issue.

August 10

The President announced the recess appointment of Wyche Fowler, Jr., to be Ambassador to Saudi Arabia. Mr. Fowler was nominated on June 10, 1996, and his nomination is pending before the U.S. Senate.

August 12

In the morning, the President and Hillary and Chelsea Clinton traveled from Jackson Hole, WY, to Yellowstone National Park. In the afternoon, they took a hiking tour of the park and returned to Jackson Hole in the evening.

August 13

The President announced his intention to appoint Allan S. Huston to the National Commission on Crime Control and Prevention.

August 14

The President declared a major disaster in West Virginia and ordered Federal aid to supplement State and local recovery efforts in the area struck by heavy rains, high wind, flooding, and slides on July 18–31.

August 15

The President announced his intention to appoint Leslie L. Byrne to be Director of the Office of Consumer Affairs at the Department of Health and Human Services.

The President announced that Health and Human Services Secretary Donna Shalala will appoint Ronald S. Johnson to the Presidential Advisory Council on HIV/AIDS.

The President announced his intention to appoint Philip Lader to be a member of the Board of Governors of the American National Red Cross.

Nominations Submitted to the Senate

NOTE: No nominations were submitted to the Senate during the period covered by this issue.

Checklist of White House Press Releases

The following list contains releases of the Office of the Press Secretary that are neither printed as items nor covered by entries in the Digest of Other White House Announcements.

Released August 13

Transcript of a press briefing by Deputy Press Secretary Mary Ellen Glynn and Special Assistant to the President for Economic Policy Elgie Holstein on the Federal Oil and Gas Royalty Simplification and Fairness Act of 1996

Statement by Press Secretary Mike McCurry on the situation in Chechnya

Released August 14

Transcript of a press briefing by Deputy Press Secretary Mary Ellen Glynn

Released August 16

Transcript of a press briefing by Deputy Press Secretary Mary Ellen Glynn

Acts Approved by the President

NOTE: No acts approved by the President were received by the Office of the Federal Register during the period covered by this issue.